Application for Use of State-owned Aquatic Lands

Applicant Name: VIGOR MARINE, LLC
County: PIERCE County
Water Body: MIDDLE WATERWAY; COMMENCEMENT BAY
Type of Authorization - Use: WATERWAY PERMIT – SHIPYARD
Authorization Number: 20-A76414
Term: 5-years

Description: This agreement is the reauthorization of an existing use. This agreement will allow the use of State-owned aquatic lands for the sole purpose of a shipyard. It is located in Middle Waterway, in Tacoma, Pierce County, Washington.
APPLICATION FOR AUTHORIZATION TO USE STATE-OWNED AQUATIC LANDS

No work can be started on the project area until a use authorization has been granted by the state Department of Natural Resources.

I. SUBMISSION OF APPLICATION

This application form will be reviewed by the state Department of Natural Resources upon receipt at the address given below, and also posted on the DNR website as public information. Applicants will be notified in writing if the application will be accepted for further review. However, this application may be rejected at any time before signed execution of a use authorization.

APPLICATION MUST BE FILLED OUT IN BLUE OR BLACK PEN

Please send the completed application form to your region land manager at:

Washington State Department of Natural Resources
(Region/District Address)

Enclose a $25.00 non-refundable application processing fee with the application. (This fee is not required for local, state, and other government agencies.)

II. APPLICANT INFORMATION

Date of Application: August 3, 2010

Authorization to be Issued To (how name is to appear in the lease document): Vigor Marine LLC

Applicant's Representative: Alan Sprott

Relationship to Applicant: Vice President

Address: 5555 N. Channel Avenue
City: Portland
State: Oregon
Zip Code: 97217
Telephone: 503-247-1672
Fax: 503-247-6050
E-Mail: asprott@vigorindustrial.com

FOR OFFICIAL USE ONLY

Support staff: Application Fee Received  JARPA Received  Date: 8/9/10

Land Manager:  □ New Application;  □ Renewal Application
Land Manager: Type: (20, 21, 22, 23, 31, 51)
Land Manager Initials
Natural Use Code

Land Records: New Application Number ; Trust ; County ; AQR Plate No.
II. APPLICANT INFORMATION cont'

<table>
<thead>
<tr>
<th>Corporation</th>
<th>Limited Partnership</th>
<th>General Partnership</th>
</tr>
</thead>
<tbody>
<tr>
<td>State of Registration</td>
<td>State of Registration</td>
<td>State of Registration</td>
</tr>
<tr>
<td>Sole Proprietorship</td>
<td>Marital Community Spouse</td>
<td>Government Agency</td>
</tr>
</tbody>
</table>

Other: X (Please Explain: Oregon LLC)

Has the site use been authorized before or is it currently under lease? Yes X Lease Number: 20-076414
No □ Don't Know □

III. LOCATION

<table>
<thead>
<tr>
<th>The Body of Water on which the state property is located:</th>
<th>County in which the state property is located: Pierce</th>
</tr>
</thead>
<tbody>
<tr>
<td>Puget Sound</td>
<td></td>
</tr>
<tr>
<td>Section: spans 33SE and 4</td>
<td>Township: spans 21N and 20N</td>
</tr>
<tr>
<td>Range: 3E</td>
<td>E X or W</td>
</tr>
</tbody>
</table>

Note: A legal property survey including the legal description and other information about the property is required to obtain a use authorization. WA DNR survey requirements are attached to this form. The survey plat will be attached to the lease/easement as Exhibit A. DO NOT HAVE THIS SURVEY CONDUCTED UNTIL YOU HAVE BEEN NOTIFIED IN WRITING THAT THE APPLICATION HAS BEEN ACCEPTED FOR PROCESSING.

Physical description of Project Area (For example, Marsh, Tidelands adjacent to the Chehalis River, etc.): Portions of aquatic land of Middle Waterway in Commencement Bay.

Name of Owner(s) of Uplands, Shorelands, and/or Tidelands shoreward and adjacent to the Property: Foss Maritime Company

Address: 660 West Ewing St  City: Seattle  State: WA  Zip Code: 98119
Phone Number: 206-281-3800  Fax Number  E-mail:

Note: Except for property located within established Harbor Areas, proof of ownership, or authorization to use the adjacent tidelands, storeland, or upland property may be required. If the applicant is the owner of the adjacent land, attach a copy of the deed.

Country Parcels No(s). for adjacent properties, upland, and/or adjacent tideland properties: 6375000011
IV. **USE OF PROPERTY**

Describe, in detail, the proposed use of the Property:
Short-term vessel moorage during repair work.

<table>
<thead>
<tr>
<th>Is or will the Property be subleased to another party? Yes ☐ No X</th>
</tr>
</thead>
<tbody>
<tr>
<td>If yes, submit a copy of the sublease agreement.</td>
</tr>
</tbody>
</table>

What are the current and past uses of the site? Short-term vessel moorage.

Do you have any knowledge of contamination of the site by toxic or hazardous substances, or of past uses or practices that might have lead to contamination by such substances? Yes X No ☐

If so, please explain: Subject and surrounding aquatic land was remediated under a consent order with the U.S. Environmental Protection Agency. Long-term monitoring is on-going.

Do you know if any fill material has been placed on the property in question? Yes X No ☐

If yes, please explain: Portions of the aquatic land were filled as part of the EPA directed remediation.

V. **IMPROVEMENTS**

Physical improvements are structures placed on the land that cannot be removed without damage to the land. Examples of such structures include: pilings, dolphins, piers, wharves, piling-supported buildings, structures built on fill or concrete foundations, buried pipelines and cables, and support structures for bridges.

What physical improvements currently exist on the site? (Photos may be required.) 700 feet of wharf, 95 feet long finger pier.

If there are physical improvements currently on the site, who owns them? Foss Maritime Company

If there are physical improvements currently on the site, describe their condition: Newly constructed or refurbished.

Which, if any, of the existing physical improvements will be removed, remodeled, or reconstructed? None.

Describe any physical improvements that the applicant is proposing to construct on the site: None

Has any fill material been placed on the site? Yes X No ☐

If Yes, please describe: Portions of the aquatic land were filled as part of the EPA directed remediation.
VI. LOCAL, STATE, AND FEDERAL REGULATORY PERMITS

Copies of all Government Regulatory Permits, or Permit Waivers Are Required Before Issuance of a DNR Use Authorization. Your project may require all or some of the following.

Please include the following permit applications, permits, or waivers with the application:

**JARPA (Joint Aquatic Resource Permit Application)** - This one form is used to apply for all of the following individual permits:

1. **Section 10 Permit** (Required by the US Army Corps of Engineers for any work in or affecting navigable waters, e.g., floats, docks, piers, dredging, pilings, bridges, overhead power lines.)
2. **Shoreline Substantial Development, Conditional Use, Variance Permit or Exemption** (Issued by Local Government, and is required for work or activity in the 100 year flood plain, or within 200 feet of the Ordinary High Water mark of certain waters; and which included any one of the following: dumping, drilling, dredging, filling, placement or alteration of structures or any activity which substantially interferes with normal public use of the waters.)
3. **Hydraulic Project Approval** (Required by the Department of Fish and Wildlife if the project includes work that will use, divert, obstruct, or change the natural flow or bed of any fresh or salt water of the state.)
4. **Section 404 Permit** (Required by the US Army Corps of Engineers if your project will discharge or excavate any dredged or fill material waterward of the Ordinary High Water mark or the Mean Higher High Tide Line in tidal areas.)
5. **Section 401 Water Quality Certification** (Required by the Department of Ecology if a Section 404 permit is required.)

**NPDES (National Pollutant Discharge Elimination System Permit)** - Required by the Department of Ecology under delegated authority from the Federal Environmental Protection Agency for projects that include the discharge of fluid on or into surface water.

See attached transfer applications.

**SEPA (State Environmental Policy Act) Checklist and Environmental Assessments** - When you submit a permit application to any agency, if the project is not exempt, the lead agency will ask you to fill out an environmental checklist. Based on checklist answers and the reviewers knowledge of the project site, agency personnel will determine the types of impacts the project may have on the environment. The agency assessments may be the following forms: Determination of Non-significance, Determination of Significance, scoping documents, draft or final Environmental Impact Statements (EIS) or others prepared for the purpose of compliance.

Describe any habitat mitigation required by any of the permitting agencies identified above and identify where such mitigation is proposed to occur:

None

All answers and statements are true and correct to the best of my knowledge.

<table>
<thead>
<tr>
<th>Applicant Name (please print):</th>
<th>Title:</th>
</tr>
</thead>
<tbody>
<tr>
<td>T. Alan Sprott</td>
<td>Vice President</td>
</tr>
</tbody>
</table>

Applicant or Authorized Signature: [Signature]

Date: 8/03/10
Transfer of Permit to a New Owner/Operator
for Individual National Pollutant Discharge
Elimination System (NPDES) or State Waste Discharge Permits

This form, when completed and signed by both parties, and approved by the Department of Ecology, automatically transfers the permit as specified in the table below, in accordance with WAC 173-216-120 and WAC 173-220-200. By signing this form, the new owner/operator agrees to assume all responsibility, coverage, and liability of the permit, as of the effective date of the sale or lease. The permit transfer for any facility shall not be valid if there is or will be any significant change from the existing permit in facility operations, discharge volume, or discharge characteristics, as determined by the Department of Ecology. If such changes are or will be present, the new owner/operator shall immediately notify the Department of Ecology at an address listed below. If you have any questions, please contact your regional Permit Coordinator at the phone number listed at the bottom of this form.

<table>
<thead>
<tr>
<th>Reason for transfer (check one):</th>
<th>☒ SALE</th>
<th>❏ OTHER</th>
<th>Describe:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permit number to be transferred:</td>
<td>WA004044</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Facility name:</td>
<td>Marine Industries Northwest, Inc.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Street/PO Box:</td>
<td>PO Box 1275</td>
<td></td>
<td></td>
</tr>
<tr>
<td>City/State/Zip:</td>
<td>Tacoma, WA 98401</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Effective date of sale/lease/transfer:</td>
<td>August 9, 2010</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Old</td>
<td>New</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Company name:</td>
<td>Marine Industries Northwest, Inc.</td>
<td>Vigor Marine LLC</td>
<td></td>
</tr>
<tr>
<td>Uniform Business Code (UBI):</td>
<td>336611</td>
<td>336611</td>
<td></td>
</tr>
<tr>
<td>Facility name (if different):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mailing address: Street/PO Box:</td>
<td>PO Box 1275</td>
<td>5555 N. Channel Avenue</td>
<td></td>
</tr>
<tr>
<td>City/State/Zip:</td>
<td>Tacoma, WA 98401</td>
<td>Portland, OR 97217</td>
<td></td>
</tr>
<tr>
<td>Contact person:</td>
<td>Dick Webster</td>
<td>Alan Sprout</td>
<td></td>
</tr>
<tr>
<td>Phone number:</td>
<td>253-627-9136</td>
<td>503-247-1672</td>
<td></td>
</tr>
</tbody>
</table>

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of a fine and/or imprisonment for knowing violations.

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<tr>
<th>Owner/President/Operator/Mgr: (print name)</th>
<th>Dick Webster</th>
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<tr>
<td>Owner/President/Operator/Mgr: (signature)</td>
<td>Alan Sprout</td>
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<td>Date signed:</td>
<td>7-2-10</td>
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Please complete this form and send it to: Washington State Department of Ecology, Permit Coordinator, at the appropriate regional office address:

Central Regional Office
15 W. Yakima Ave., Ste 200
Yakima, WA 98902-3401
(509) 575-2490
Fax (509) 575-2809

Eastern Regional Office
4601 N. Monroe Street
Spokane, WA 99205-1295
(509) 329-3400
Fax (509) 329-3529

Nuclear Waste Program
3100 Port of Benton Blvd
Richland, WA 99354
(509) 372-7897
Fax (509) 372-7971

Northwest Regional Office
3190 - 160th Avenue SE
Bellevue, WA 98008-5452
(425) 649-7000
Fax (425) 649-7098

Southwest Regional Office
P.O. Box 47775
Olympia, WA 98504-7775
(360) 407-6300
Fax (360) 407-6305

If you need this publication in an alternate format, please contact us at 360-407-6404 or TTY (for the speech and hearing impaired) at 711 or 1-800-833-6388.

ECY 070-164 (Rev. 10/04)
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Owner/President/Operator/Mgr: Dick Webster
(print name) [Signature]
Date signed: 7-21-10

Owner/President/Operator/Mgr: Alan Sprott
(print name) [Signature]
Date signed: 7-21-10

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